



Accountability Workshop

Oslo, Norway

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**Presentation on a current IT Project by
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And**

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Objective of the Presentation



To give workshop participants
feedback on issues that may arise
from the selection of a system
contractor in an International
Competition

System Requirements



To implement an Awards Management System to incorporate:

- Award Submission
- Review by External Experts
- Approval of Awards
- Issuing of Letter of Offer
- Managing Payments
- Recording of Scientific Progress

Outline of Process to date



- Public Tender issued to appoint consultants to assist in the preparation of an Awards Management System specification; to evaluate that against our current system; to prepare tender documents if required and manage the tender process
- Appointed a Project Steering Committee
- Mazars appointed as consultants (An Accounting Firm)
- Appointed an Internal SFI Project Manager
- Detailed “Strawman” Document of our requirements produced

Outline of Process to date continued



- Public tender issued, inviting expressions of interest (EOI) from firms
- EOI's evaluated and a shortlist was drawn up for interview
- Final contenders subject to reference site visits
- Final decision by SFI Board
- Appointment of a new Project Steering Committee
- Implementation phase – on going

Observations on Process up to completion of EOI Stage



- ‘Buy in’ of Senior Management to the project is essential
- Appointment of consultants necessary if in-house expertise not present or time available
- “Strawman” approach was successful in setting out requirements in isolation from potential systems architectures available
- Involvement of large number of staff was critical to success but time consuming for SFI as a whole

- However control needed on process so that “strawman” remains functional and does not become a personal “Wish List” or try to solve every conceivable exception
- “Strawman” raised issues of policy, which were logged, decided by management and fed back into the process
- Key step was to match “Strawman” against existing AMS system, before proceeding with public tender
- One big problem emerged at Eleventh Hour!

The “Big Problem”



- Another Government funded research agency emerged from the mist to declare they wanted to “collaborate” with SFI
- Unhelpful as they had already prepared a specification at considerable cost but did not want to abandon it
- Forced SFI to conduct a feasibility study of the potential collaboration at our cost
- Resulted in delay in SFI concluding the EOI stage of 2 months

- Did not help that firm which prepared the other body's specification was also going to be invited to make a full submission to SFI; potential conflict of interest if SFI was to adopt the other specification
- In essence this encapsulated the problem the other agency had got themselves in; they were stuck with a bespoke specification that only one firm could respond to and at a prohibitive cost
- Conclusion of feasibility study was that SFI and other agency should continue to run separate projects

- This was not the end of the story; other agency made two further attempts to force SFI to join them, including right at conclusion of process when SFI was about to make its decision.

Conclusion of EOI Stage



- 16 EOI's received and evaluated
- 7 were invited to make full submissions
- 2 subsequently declined

- Detailed request for tender documents prepared and issued to shortlist
- Tender run under EU restricted procedure
- Specification included software, technical and services requirements
- Detailed user requirements were drawn from the “Strawman” document

- The requirements were classified as:

Mandatory – Absolutely necessary

Required – Not essential individually but cumulatively may affect viability of solution

Desired – “nice to have”

- An Internal Project team was assembled to conduct the evaluation
- The evaluation process consisted of
 - Desk based assessment of submissions
 - Presentations and Demonstrations by most competitive tenders
 - Reference checks and site visits

- Outcome of desk review resulted in 4 tenders invited to make presentations and 1 not invited
- Presentations were made to a large number of SFI staff and feedback collected in a designated format
- 2 Firms progressed to final stage of reference checks and site visits
- We repelled an eleventh hour attempt by the other agency to join us under the guise of 'shared services'! Would have necessitated starting tender process again

Final Choice

- A dilemma presented itself in making the final choice
- The preferred technical solution came from a small Canadian company (Smart Simple) with a fledgling Irish subsidiary
- The reserve provider was a longer established U.S company (Altum) partnered by a major international company as project managers (Fujitsu)
- A decision was taken to conduct a detailed financial due diligence of preferred bidder before making recommendation to SFI Board

- Final solution included
 - provision of Federal Export Credit Guarantee
 - Direct confirmation from company's bank of additional line of credit available to them
 - Clarification on status of tax rebate available
 - Source code placed in escrow account
 - Enhanced insurance provisions in line with Irish market standards
- Decision made by SFI Board in March 2009, subject to clarification on above points
- Contract finally signed in July 2009

So how has it gone?



- Progress had been slower than anticipated
- Still satisfied that correct technical solution was chosen
- Growing awareness that this is probably largest contract ever won by the company
- Has stretched their resources in Canada and led to some key staff defections
- SFI have had to undertake a more hands-on role than expected, particularly with respect to basic system testing
- Tensions have emerged between Canadian parent and Irish subsidiary as regards approach etc

- Irish subsidiary is now taking lead project management role, but all technical expertise resides in Canada
- Dealing with a transatlantic partner provides challenges due to time differences
- But the technical solution is a good one that will ultimately pay dividends, so we are satisfied we made the right decision for the right reasons.

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